

UNITED STATES GOVERNMENT

Memorandum

TO : The Files: Contract 4120-65R, Task Order 1

EP 66-167

DATE: 19 July 1966

25X1A9a

FROM : Mr. [REDACTED]

SUBJECT: Inspection Report No. 7 - RS-520 with [REDACTED]

25X1A5a1

1. Project Description:

A special purpose agent communications system designated the RS-520.

2. Contractual Information:

25X1A1a

- a. Initial Cost: [REDACTED]
- b. Request for Procurement Action: 28 May 1965
Request for Overrun: 8 June 1966
- c. Initiation Date: 30 June 1965
- d. Completion Date: 31 July 1966 Extension: 31 August 1966
- e. Deliverable Items: One engineering model - 31 July 1966; quarterly reports; five final reports - 31 July 1966; five sets of engineering drawings - 31 August 1966

3. Date of Meeting: 6 July 1966

4. Place of Meeting: [REDACTED]

25X1A6a

5. Persons Attending:

Agency

Non-Agency

25X1A9a Mr. [REDACTED]

Mr. [REDACTED]
Mr. [REDACTED]
Dr. [REDACTED]

25X1A5a1

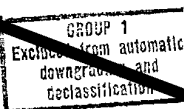
6. Contractor's Performance:

- a. On schedule and expected to remain so: No
- b. Within obligated funds and expected to remain so: No
- c. Satisfactory technical progress: Yes

7. Project Status:



~~SECRET~~



~~SECRET~~

25X1A5a1

EP 66-167

SUBJECT: Inspection Report No. 7 - RS-520 with [REDACTED]

7. Project Status:

The RS-520 will soon be completed. The final tests await the final evacuation of two vidicons and three kinescopes. All indications are that these tubes will be satisfactory. As was stated in earlier reports, the primary reason for the overrun situation is that additional tubes had to be constructed as a result of some faulty photoconductor. The new tubes will be exhausted by 15 July. If these tubes do not prove satisfactory, the project will again be in money trouble. The remainder of the system is going along very well. Using a reject vidicon and kinescope, [REDACTED] is attaining the resolution goal. These two test tubes are like the final tubes in all respects except that they have 6 volt heaters rather than 12 volt heaters plus some blemishes on their faceplates. This fact indicates that there is a very high degree of probability that the new tubes will be satisfactory.

[REDACTED] is now in the process of writing a request for a third overrun. Their second request hasn't been negotiated yet. This borders on ridiculous but is simply a result of poor estimating and over optimism by [REDACTED]

The first request, 23 May 1966, was for \$11,275 for additional vidicons as a result of faulty photoconductor used in the tubes when fabricated at [REDACTED]. The second overrun request, 18 June 1966, which will soon be in negotiation for \$15,441, was a result of an accumulation of minor problems and "previous estimates of engineering labor for additional testing development vidicons and final complete checkout were too optimistic". The third request has not arrived yet but will probably use similar rationale as quoted above. In addition, [REDACTED] will make an adjustment of their overhead rate. The new overrun funds will consist of \$10,900 for overhead adjustment and approximately \$11,829 for the technical work. In summary, this will amount to a total overrun of \$49,445. The original contract price less fee is \$353,899. This will bring the total contract price to \$403,344 less the original fee of \$28,312. The contract is CRAF. The overrun, including overhead adjustment, is approximately 14% of the original contract price.

Distribution:

R&D Subject File
OL/PD/PCB/CAS
R&D Lab
CC-OS

ESB
Monthly (3)
EP Chrono

25X1A9a CC-E/R&D-EP/[REDACTED]/bjp

(20 July 1966)

~~SECRET~~

2

GROUP 1
Excluded from automatic
downgrading and
declassification

But you can't beat Savage, [REDACTED]

in a vacuum sense (H)

5 Aug. they seem to be OK (H)

not bad (H)